



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

MICHAEL F. EASLEY
GOVERNOR

LYNDO TIPPETT
SECRETARY

March 7, 2006

MEMORANDUM TO: AGC-DOT Joint Cooperative Committee Members

FROM: E. C. Powell, Jr., PE
State Construction Engineer

SUBJECT: Minutes to the Joint Committee Meeting

The Joint Cooperative Committee of the AGC-DOT met at 10:00 AM on January 19, 2006, in the Emergency Information Center Conference Room of the Transportation Building.

Members and attendees present included:

Debbie Barbour
Victor Barbour
Roberto Canales
Bill Copeland
Steven DeWitt
Randy Garris
Brad Goodson
Kenny Haynes
Berry Jenkins

Drew Johnson
Cecil Jones
Mike Long
Jeff Mann
Michael McKoy
Ellis Powell, Jr.
Bill Rosser
Len Sanderson
Ron Shaw

John Sullivan
Shannon Sweitzer
Bruce Thompson
Jimmy Travis
Steve Varnedoe
Don Voelker
Phillip Watts
Sherell Williams
Sim Wooten, Jr.

AGENDA

Project Letting.....Debbie Barbour

- Ms. Debbie Barbour advised the Department anticipates letting \$650 million in Transportation Improvement Program (TIP) projects in calendar year 2006. The 12 month let list has been posted on-line. She stated that the majority of the larger projects are scheduled to let towards the end of the year, including I-7374 - East Belt project in High Point. Ms. Barbour advised that the Department has developed a proposed list of projects for calendar years 2006, 2007 and 2008, which has been given to the members of the NCDOT Board of Transportation (BOT) and the Division Engineers for their comments. The anticipated budget for TIP projects for calendar years 2007 and 2008 are \$650 million and \$890 million, respectively, which does not include Gravee Bond projects.

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- Mr. Steve Varnedoe advised that the expenditure authority for the NC Moving Ahead! Program is \$150 million for this calendar year, which includes work currently under contract. The Department anticipates letting \$130 million in 2006 and the remaining amount in 2007. The Department received an increase for the contract resurfacing budget, which is now \$186 million. The Department has let some of the resurfacing contracts and the remainder of these contracts have a proposed let of February 2006. The Department has \$180 million for the Secondary Road Program available this year. The expenditure of these funds includes grading by the Department, fully operated rental equipment and paving contracts for the contracting industry. Mr. Varnedoe advised that the budget for all Division programs is \$700 million for calendar year 2006.
- Mr. Steve DeWitt advised the Industry of the status of the R-2510B (Washington Bypass). The Department received the cost proposals in December 2005 and met with the short-listed teams to discuss reducing the cost of the project. The Department changed the scope of the project and issued a Request for Proposal (RFP) the week of January 9, 2006 to the short-listed teams. The RFP's are due to the Department January 30, 2006. The Department hopes to receive approval and award the contract in February 2006.
- Mr. Berry Jenkins referenced the AGC-DOT Joint Conferences held in 2005, inquiring as to whether the Divisions held meetings for local industry representatives to discuss construction issues. Mr. Varnedoe advised that all the Divisions were encouraged to hold these meetings and most of the Divisions have done so. Mr. Ellis Powell advised that Division 5 is in the process of scheduling a meeting. Mr. Varnedoe stated that over the next three years, the Department is anticipating a large bridge construction program with TIP, NC Moving Ahead! and Purchase Order bridge replacement projects. As a result he would like to meet with a group of industry representatives to discuss the impact that the bridge program will create. Mr. Jenkins agreed to form a group of representatives to participate in that discussion.

Funding Update.....Len Sanderson

- Mr. Len Sanderson discussed the progress and the process of determining projects to be funded by Garvee Bonds. Mr. Sanderson advised that the Department has identified and nominated projects that met established criteria and can be delivered for let and award in the next two to three years. The established criteria for the projects identified are that they have a statewide significance, strategic in nature, completion of the environmental document by December 2009, immediately usable with logical termini and of significant size. The Department of Environmental and Natural Resources (DENR), specifically the Ecosystem Enhancement Program (EEP) is in the process of reviewing the list of projects to determine if the mitigation can be resolved within the Department's delivery schedule. The Department anticipates receiving the information from DENR the week of January 23, 2006 and plans to meet internally to determine the projects that can meet the schedule of delivery and prioritize them. The NCDOT Board of Transportation (BOT) and the Secretary of Transportation will

approve the final list of projects for Garvee Bond funding. Mr. Sanderson advised the that Department anticipates the projects approved for Garvee Bond funding will be let beginning in 2007, with projects being let in 2008 and 2009.

- Mr. John Sullivan of the Federal Highway Administration (FHWA) advised that North Carolina was authorized for \$850 million for the SAFETEA-LU Program. However, there is concern that the revenues do not support the spending outlays, therefore the revenues will be monitored. It is anticipated that a Revenue Alignment Budget Authority (RABA) Adjustment will be made in 2008.
- Mr. Len Sanderson advised that the workload and the personnel for the Department are on a downward trend. He estimated the Department has a vacancy rate of 11% to 12%. The Department is experiencing the same issues that the industry is experiencing in terms of adapting to the change in programs.

Metric Projects.....Victor Barbour

- Mr. Victor Barbour advised that the 2006 Standard Specifications and 2006 Standard Drawings were prepared as English documents only. There will be forty-four (44) metric projects remaining to be let after the 2006 Standard Specifications and Standard Drawings become effective. Mr. Barbour requested feedback as to what Standard Specifications should be used to administer the metric projects let after the 2006 Standard Specifications are in effect. The issue was discussed and it was decided, as a short-term solution, to use the 2002 Standard Specifications with updated Special Provisions to administer the metric projects let in 2006 and 2007.

2006 Specifications Book.....Victor Barbour

- Mr. Victor Barbour advised that the 2006 Standard Specifications were complete and are currently being printed. The Department expects to have the Specifications ready to be issued by the first part of March 2006. An announcement will be included with the March or April 2006 invitations to bid to let the industry know the 2006 Standard Specifications and the 2006 Standard Drawings are available for order. The 2006 Standard Specifications and Standard Drawings will be effective July 2006. Mr. Barbour also advised the 2006 Standard Specifications are currently on-line. A handout was distributed identifying the changes made in the 2006 Standard Specifications from the 2002 Standard Specifications.

DBE Contract Administration Issues.....Steve DeWitt

- Mr. Steve DeWitt distributed a summary of Disadvantaged Business Enterprise (DBE) Contract Administration Issues that are occurring across the state. Mr. DeWitt stated he would like to form a subcommittee with representation from the contracting industry (Prime and DBE contractors), FHWA, Office of Civil Rights, Contractual Services, and the

Construction Unit. This subcommittee would be charged with developing joint training to educate and clarify industry and department personnel of rule changes of the DBE program and develop a field guide for administering contracts as it relates to DBE issues. Mr. Brad Goodson, Mr. Kenny Haynes, Mr. Berry Jenkins and Mr. Sim Wooten, Jr. volunteered to represent the contracting industry (Prime Contractors) for this subcommittee. Mr. DeWitt advised that he would like the subcommittee to meet within the next 30 days.

- Mr. Roberto Canales reviewed the following items from the Federal Regulation 49CFR Part 26, Good Faith, confirmation of a commitment from a DBE and utilization of DBE firms listed in proposed bids. Mr. Canales advised that the NCDOT Contractual Services Unit developed a draft Good Faith Guide to provide the Industry with suggestions and examples of Good Faith submittals that have historically been considered an acceptable demonstration of a Good Faith submittal for both the Federal and State programs. In addition, the Department has created a proposed "Confirmation of Quotation" form that identifies a proposed DBE firm, lists the items of work the DBE firm proposes to perform, the cost of the items of work, the total estimated cost to perform the items of work listed and a place for the DBE firm to sign acknowledging his agreement with the price quotation. Mr. Canales advised the proposed form was created to meet the Federal Regulations and the Federal requirements listed in the Department's specifications which state a "Letter of Intent" from a DBE firm must be submitted prior to execution of a contract. Mr. Canales further advised that as a result of compliance reviews performed by the Office of Civil Rights, the Department will distribute a letter of information to the Industry, addressing the policy and procedures for the utilization of DBE firms submitted in the bid packages and termination of DBE firms. Mr. Canales distributed the information discussed and requested that the Industry review and submit comments to him.

New Welding Certification.....Cecil Jones

- Mr. Cecil Jones advised the Department has implemented a new Welding Certification Program. The NCDOT Materials and Test Unit will certify the welders. Mr. Jones further advised that experience cards will be provided to the welders and the welders are expected to have the card when he performs work on the job site. For additional information concerning the Welding Certification Program contact Mr. Steven Walton of the NCDOT Materials and Test Unit at (336) 993-2300.

Use of Optional Base Material for Bidding.....Steve DeWitt

- Mr. Steve DeWitt advised that the issue of allowing the contractors the option of using Aggregate Base Course or asphalt as the base material went before the NCDOT Board of Transportation in September 2005. The Department has worked on this concept and is now in the process of deciding how to develop the plans, specifically for earthwork quantities, without creating two designs. Mr. DeWitt advised that he would like to hold a meeting with

a small group of industry representatives to discuss the best method to present the fine grading details and typical sections on the plans. The industry provided representatives to participate and Mr. DeWitt advised that he would schedule the meeting in the near future.

The next meeting is scheduled for March 30, 2006 at 10:00 AM in the Chief Engineer's Conference Room at the NCDOT Maintenance and Equipment facility located, at 4809 Beryl Road in Raleigh.

SRW:kdI

cc-

Mr. Dan DeVane

Mr. W. D. Riddick

Mr. L. A. Sanderson, PE

Mr. W. S. Varnedoe, PE

Ms. D. M. Barbour, PE

Mr. S. D. DeWitt, PE

Mr. W. F. Rosser, PE

Mr. L. D. Love, PE

Mr. Roberto Canales, PE

Mr. B. G. Jenkins, Jr., PE

Mr. C. L. Jones, PE

Mr. V. J. Barbour, PE

Mr. Art McMillan, PE

Mr. C. W. Leggett, PE